



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

A-570-827

Certain Cased Pencils from the People's Republic of China: Final Results of Antidumping Duty New Shipper Review; 2014-2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: On June 10, 2016, the Department of Commerce (the Department) published the preliminary results of the new shipper review of the antidumping duty order on certain cased pencils from the People's Republic of China. This review covers one company, Wah Yuen Stationery Co., Ltd. and its affiliated producer, Shandong Wah Yuen Stationery Co., Ltd. (collectively, Wah Yuen), for the period of review (POR) December 1, 2014, through May 31, 2015. We invited interested parties to comment on the *Preliminary Results*. Based upon our analysis of the comments received, we made changes to the margin calculations for the final results. As a result of these changes, we find that the exporter Wah Yuen made a sale of subject merchandise at below normal value during the POR.

DATES: Effective (Insert date of publication in the *Federal Register*).

FOR FURTHER INFORMATION CONTACT: Mary Kolberg, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1785.

SUPPLEMENTAL INFORMATION:

Background

The Department published its *Preliminary Results* in this new shipper review on June 10, 2016.¹ Wah Yuen and the Dixon Ticonderoga Company, the petitioner, filed case briefs on August 12, 2016.² We received a rebuttal brief from Wah Yuen on August 22, 2016.³

Scope of the Order

Imports covered by this order are shipments of certain cased pencils of any shape or dimension which are writing and/or drawing instruments that feature cores of graphite or other materials, encased in wood and/or man-made materials, whether or not decorated and whether or not tipped (*e.g.*, with erasers, *etc.*) in any fashion, and either sharpened or unsharpened. The pencils subject to the order are currently classifiable under subheading 9609.10.00 of the Harmonized Tariff Schedule of the United States (HTSUS). A full description of the scope of the order is contained in the Issues and Decision Memorandum.⁴ Although the HTSUS subheadings are provided for convenience and customs purposes, the written product description is dispositive.

¹ See *Certain Cased Pencils From the People's Republic of China: Preliminary Results of Antidumping Duty New Shipper Review*; 2014-2015, 81 FR 37573, June 10, 2016.

² See letter from Dixon, re: "Certain Cased Pencils from the People's Republic of China, New Shipper Review NSR 12/01/2014-05/31/2015: Case Brief of Dixon Ticonderoga Company," dated August 12, 2016 (Dixon's case brief); see also letter from Wah Yuen, re: "Certain Cased Pencils from the People's Republic of China: Administrative Case Brief of Wah Yuen Stationery Co. Ltd.," dated August 12, 2016 (Wah Yuen's case brief).

³ See letter from Wah Yuen, re: "*Certain Cased Pencils from the People's Republic of China*: Administrative Case Rebuttal Brief of Wah Yuen Stationery Co., Ltd.," dated August 22, 2016.

⁴ See Memorandum to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, re: "Issues and Decision Memorandum for Final Results of Antidumping Duty New Shipper Review: Certain Cased Pencils from the People's Republic of China," dated October 20, 2016 (Issues and Decision Memorandum).

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this review are addressed in the Issues and Decision Memorandum. A list of the issues which parties raised is attached to this notice as an appendix. The Issues and Decision Memorandum is a public document and is on file in the Department's Central Records Unit, B8024 of the main Department of Commerce building, as well as available electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and it is available to all parties. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

Based on a review of the record and the comments received from interested parties regarding our *Preliminary Results*, and for the reasons explained in the Issues and Decision Memorandum, we revised the margin calculations for Wah Yuen.⁵

Final Results of New Shipper Review

The dumping margin for the final results of the new shipper review for the period of review December 1, 2014, through May 31, 2015, is as follows:

Exporter	Producer	Weighted Average Dumping Margin (percent)
Wah Yuen Stationery Co., Ltd.	Shandong Wah Yuen Stationery Co., Ltd.	33.86

⁵ See Issues and Decision Memorandum.

Disclosure

The Department will disclose the analysis performed for these final results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b) of the Department's regulations.

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.212(b), the Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise, in accordance with the final results of this review. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of the final results of this new shipper review.

For Wah Yuen, which has a dumping margin which is not zero or *de minimis* (i.e., less than 0.50 percent), we calculated importer- (or customer-) specific assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those sales, in accordance with 19 CFR 351.212(b)(1). Where an importer-specific *ad valorem* rate is not zero or *de minimis*, the Department will instruct CBP to collect the appropriate antidumping duties at the time of liquidation.⁶ Where an importer (or customer)-specific *ad valorem* rate is zero or *de minimis*, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.⁷

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this new shipper review for shipments of the subject merchandise from the PRC

⁶ See 19 CFR 351.212(b)(1).

⁷ See 19 CFR 351.106(c)(2).

entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For merchandise produced by Shandong Wah Yuen Stationery Co., Ltd. and exported by Wah Yuen Stationery Co., Ltd., the cash deposit rate will be the rate established in the final results of this review; (2) for subject merchandise exported by Wah Yuen Stationery Co., Ltd. but not produced by Shandong Wah Yuen Stationery Co., Ltd., the cash deposit rate will be that for the PRC-wide entity (i.e., 114.90 percent); and (3) for subject merchandise produced by Shandong Wah Yuen Stationery Co., Ltd. but not exported by Wah Yuen Stationery Co., Ltd., the cash deposit rate will be that applicable to the exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification Regarding Administrative Protective Order

This notice serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation subject to sanction.

We are issuing and publishing these results and this notice in accordance with sections 751(a)(2)(B) and 777(i) of the Act, and 19 CFR 351.214.

Dated: October 20, 2016.

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Issues
 - Comment 1: Whether Wah Yuen is Entitled to a New Shipper Review
 - Comment 2: Whether the Surrogate Value for Brokerage and Handling was Calculated Correctly
 - Comment 3: Whether Wah Yuen is Entitled to a By-Product Offset for Slat Scrap
 - Comment 4: Whether the Values for Alkyd Resin and Acrylic Resin were Calculated Correctly
 - Comment 5: Whether the Packed Weight of One Gross of Pencils Should be Adjusted by the Weight of the By-Product Scrap
- V. Recommendation

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